

DPS - 4141

September 15, 1958

Lockheed Aircraft Corporation
Burbank, California

REF: Contract SP-1915

Dear Hal:

We are returning the attached invoice number 8-6, since after a thorough review, we are unable to agree with the amount billed.

We can follow the invoice listed above through the sub-total, "In Plant Costs Eligible for Progress Payments"; however, at this point, the invoice does not appear to be consistent with your usual manner of billing. The previous invoices deducted the 10% from "In Plant Costs Eligible for Progress Payments" (line 6) whereas we find it, this time, to be taken from only the amount listed as "Costs Eligible for Progress Payments" (line 8). This change results in a difference of \$213,698.63 or actually, by the usual method, invoice 8-6 would have a deficit balance. This is illustrated below:

Prior Method

Line 6, In Plant Costs Eligible for Progress Payments
Line 7, 10% of Item 6
Line 8, Total Eligible for Progress Payments
Line 9, Total Amount of Progress Payments to Date

Line 10, Balance Eligible for Progress Payments

Present Method

Line 6, In Plant Costs Eligible for Progress Payments
Line 7, Less Costs Recovered thru Invoicing
Line 8, Costs Eligible for Progress Payments
Line 9, 10% of Item 8

Line 10, Balance Eligible for Progress Payments

25X1

SECRET

DPS - 4141
Page 2 of 2

Copy 3 of 6

Also, Hal, we would appreciate your advising us the total amount paid as progress payments to date, as shown by your records, and the liquidation of progress payments -- with a listing of the invoices involved, with the amount liquidated on each. We were in agreement with you on this through invoice 6-4, but with the later invoices, we have been unable to make such a reconciliation.

Very truly yours,

LS

Doug

Attachment: a/s

Distribution:

- 0 & 1 - Addressee w/att
- 3 - Contract SP-1915 (Finance)
- 4 - SP-1915 (Contracts)
- 5 - Finance Reading File
- 6 - Chrono

25X1

/15 September 1958

SECRET